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AGRICULTURE AND NATIONAL DEFENSE

AGRICULTURE HAS BEEN ASSURED OF REPRESENTATION IN all of the recently created OPM Commodity Sections concerned with "commodities produced by agriculture or necessary to the production of agriculture." These sections will work with the Defense Industry Advisory Committees now being set up. The assurance came from Sidney Hillman, associate director general, who also wrote for William S. Knudsen, director general, Office of Production Management, in an exchange of letters with M. Clifford Townsend, director, Office of Agricultural Defense Relations, United States Department of Agriculture. In requesting representation for agriculture, Director Townsend outlined to OPM officials agriculture's basic part in the defense program. "American agriculture," his letter said, "is responsible for the production of adequate supplies of foods and fibers for domestic and military use, and for the needs of nations resisting aggression. Thus, we are directly concerned in the production of such commodities as food, fibers, leather, drugs, rubber, fats, and oils. In discharging this responsibility, agriculture is an important user of a wide range of metals, chemicals, and other supplies, and has a substantial interest in the Advisory Committees dealing with these commodities. American agriculture, as an important employer of labor, is interested in the operations of the Labor Division of the Office of Production Management and maintains a liaison contact with the Labor Division." In reply, Mr. Hillman wrote: "In order efficiently to organize and centralize the formation and operation of defense industry advisory committees, the Office of Production Management has created a Bureau of Clearance with Sidney J. Weinberg as Chief, which will be in charge of notifying each Government agency of each meeting held by any of such committees, in which the Government agency might have an interest. As OPM wishes to cooperate with you in every possible way, I have spoken to Mr. Weinberg, who has advised me that he received a copy of your letter to Mr. Knudsen and that he has directed the Bureau to notify you whenever any meetings of a defense industry advisory committee are to be held."

THE FOREST SERVICE ROAD BUILDING ORGANIZATION is being called upon for aid in the construction or improvement of roads to facilitate the transportation of chromite ore. Work is already under way in Montana on a road in the Custer National Forest. The Defense Plant Corporation is advancing money for a large portion of the road needed. On the Klamath National Forest in California, the Regional Forester advises that work also has started to extend a section of road needed for ore transportation. Further work on mining road projects in several other national forests is under consideration.

JAMES E. WELLS, JR., CHIEF OF THE TRANSPORTATION AND MARKETING DIVISION, Office of Agricultural Defense Relations, has been designated to represent agriculture on the Central Motor Truck Transportation Committee of the Transportation Division, Office for Emergency Management. This committee is concerned with all of



the problems of truck transportation. Mr. Wells has been studying the problems of agricultural transportation since the preparedness program started. He is particularly interested in the trucking phase.

A PLAN TO STORE RESERVE SUPPLIES of milled feed on farms in Northeastern States in order to avoid possible shortages that would hamper efforts to increase dairy, poultry, and livestock production required for the National Defense Program has been announced by the Department of Agriculture. The plan is designed to assure adequate supplies of feed in the area in the event shortage in transportation -- which may develop in connection with the Defense Program -- limits shipments of grain from the producing areas in the Mid-West or limits shipments of milled feed within the area. Producers and dealers in this area at present often maintain less than one week's supply of feed, whereas, under the program, participating farmers would maintain approximately three months' supply. The plan, by distributing grain to farms for storage in the form of feed, would also make available in grain-producing areas additional storage space needed for the 1941 grain crop. To facilitate accumulation of these reserves, Commodity Credit Corporation and Farm Credit Administration are making arrangements with farmer-cooperatives in the Northeastern States whereby grain owned by the CCC will be sold to cooperatives for milling purposes. The cooperatives will store the milled feeds on the farms of their members under an arrangement protecting the farmers against price declines. The plan will be initiated in the State of New York and adjacent areas by the Grange League Federation Exchange, Inc., a cooperative. Cooperatives in other States have plans to participate in the program under consideration.

#### SUMMARY OF FOREIGN DEVELOPMENTS

JAPAN: Reliable sources indicate that the Canadian Government has approved a Japanese order for 70,000 short tons of wheat and that part shipments have already been made. This order raises the total volume of wheat imports into Japan during 1941 to 165,161 metric tons (6,069,000 bushels) consisting of 45 percent from Australia, 38.5 percent from Canada, and 16.5 percent from the United States. Japan's flour imports are comparatively small.

HUNGARY: Official acreage and yield estimates are not available. However, it is known that late heavy rains and farmers' discontent with the prices offered by German importers last fall resulted in a far below normal sowing of winter grains. That deficiency was not made up by increased spring sowings. In southern Hungary the harvesting of winter wheat is now under way. The condition of the crop is good, although the crop is limited. Spring wheat, though weedy and thin in many areas, is beginning to head. An estimate of the whole wheat crop is roughly 68,000,000 bushels, of which 26,000,000 bushels must be reserved for seed. The country annually consumes about 80,000,000 bushels. Wheat stocks are exhausted. The rye crop is thin in many areas, but is estimated at medium. Less than the usual acreage was sown to rye. The harvest of winter barley is under way and the grain is of good quality. Though thin, low, and weedy in places, the spring barley is developing satis-





factorily with a medium total crop expected. Though the oat crop, spring planting, is low, thin, and weedy, the crop itself may be medium. At present, prospects for a corn crop are poor, since replanting in many areas was necessitated by poor sprouting. Early potatoes are on the market and late potatoes are in bloom. The total crop is expected to be medium. A hocking of late plantings of sugar beets is in progress, and the crop is expected to be satisfactory. A good crop of rape seed is expected, but sunflower seeds are undeveloped due to unfavorable weather and late seeding. In many areas flax is low, thin, and weedy. The 1941 area sown to oil seed is greater than in 1940. A poor to medium crop of vegetables is expected with very good crops of peas and beans.

PORTUGAL: An economic and financial agreement was signed by Portugal and Spain. Under its terms Spain will purchase various Portuguese colonial products such as copra, corn, beans, palm oil, castor beans, and sisal, the transactions to be financed by Portugal. Purchases will be made through the intermediary of the official organizations of both countries.

